GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3801
ANSWERED ON:13.12.2001
AMENDMENT IN COMPANIES ACT, 1956
SHYAMA SINGH

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government propose to amend the Companies Act, 1956 for relaxing the buyback norms;

(b) if so, the details thereof;

(c) whether the amendment in Companies Act is going to benefit the holder of shares in any way; and

(d) if so, the details thereof?

Answer

MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITELY)

(a) to (d): With a view to improving the market sentiment , certain provisions of section 77A of the Companies Act, 1956 relating to buy back of shares have been liberalized by the Companies (Amendment Ordinance, 2001 (Ordinance 7 of 2001) promulgated on 23rd December,2001. The Bill has since been passed by both Houses of Parliament.